INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

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Vegetables for Processing—Summary of Planted Acreage

The prospective total planted acreage for 1953 of green lima beans, snap beans, canning beets, contract cabbage for kraut, sweet corn, pickling cucumbers, green peas, pimientos, winter and spring crop spinach, and tomatoes for processing is expected by the Bureau of Agricultural Economics to total 1.8 million acres, about the same as was planted to these crops in 1952.

BAE estimates of the 1953 tonnage of peas and planted acreage of snap beans, sweet corn, and cucumbers are reported beginning on page 223.

Defense Materials System

Under the Defense Materials System which goes into effect July 1, there will be no restrictions on civilian use of any metal except nickel-bearing stainless steel.

The DMS, announced in March by the National Production Authority, will enable contractors with the Department of Defense and Atomic Energy Commission to obtain their requirements of steel, copper, and aluminum, and will leave the remainder of the nation's supplies on the open market for any buyer and for any use.

After July 1 only three regulations will remain in effect governing distribution of metals. These are DMS Reg. 1 and 2 and M-80.

M-80 prohibits the use of nickel-bearing stainless steel in equipment for processing and conveying food, except "those parts intentionally in contact with food products where noncorrosive and noncontaminating properties are essential and where alternate materials are not practicable."

Fish and Wildlife Service

Also on July 1, the Defense Fisheries Administration will terminate its activities. The functions of DFA will be continued by the Fish and Wildlife Service, whose new Director, John L. Farley, took office June 8. Albert M. Day, former Director, became an Assistant to the Director.

FTC Opposes Kefauver Bill to Amend Robinson-Patman Act

It has become known that the Federal Trade Commission opposes the Kefauver bill, S. 1357, to amend the Robinson-Patman Act.

The position of the FTC was expressed in a letter from the Chairman, Edward F. Howrey, to Senator Langer (S. D.), Chairman of the Senate Committee on the Judiciary. The letter was placed in the record of the hearing by Representative Walter (Pa.), a member of the House Judiciary Committee.

Publication of Mr. Howrey's letter followed a brief hearing by the House Judiciary Committee on a number of bills dealing with the good faith meeting of competition. The hearing was limited to testimony of members of Congress. Testimony from the general public will be taken when hearings are resumed later this year.

In view of the conflicting understandings in the trade on the effect of the Kefauver bill and the Capehart bill, S. 1377, Chairman Howrey's letter is

(Please turn to page 227)

N.C.A. Laboratory Workers at Scientific Meetings

Three members of the N.C.A. Washington Laboratory staff, Messrs. Bohrer, Morgan, and Reed, attended the 13th annual meeting of the Institute of Food Technologists, held in Boston, June 21-25. B. H. Morgan and J. M. Reed furnished one of the papers on the program, "Resistance of Bacterial Spores to Gamma Radiation", in which were summarized results of the Association's research in this field.

Mr. Morgan will also attend during the following week a session at New Hampton, N. H., on radiation chemistry, part of the Gordon Conferences sponsored each year by the American Association for the Advancement of Science. In these informal conferences much of the information presented is in advance of publication and is thus helpful for keeping in touch with latest developments in specialized fields of science.

FDA Factory Inspection

The House Committee on Interstate and Foreign Commerce, which last week was responsible for the introduction of a new bill to restore FDA factory inspection, still has not completed action formally reporting the bill to the House.

Col. Durbin Leaves OQMG

Col. W. F. (Bill) Durbin has been selected to take a 10-month course in advanced staff work and military organization at the Army War College in Carlisle, Pa. He will leave his present position as Chief of the Procurement Division, Office of the Quartermaster General, on June 30.

Colonel Durbin is well known to canners for his knowledge and understanding of the canning industry. He served in canned foods procurement in Oakland, Calif., and in various capacities in the OQMG.

Col. Fulton G. Thompson has been assigned to be Chief of the Procurement Division, OQMG. He has been serving as officer-in-command of the New York Quartermaster Procurement Agency.

Col. J. T. Stewart continues as Chief of the Procurement Management Branch in the Procurement Division. This office originates purchase policies and interprets procurement regulations and directives.

Trade Agreements Act

The Senate Committee on Finance on June 24 approved the compromise bill, H. R. 5495, to extend the Reciprocal Trade Agreements Act, but rejected the proposal to increase the Tariff Commission from six to seven members.

The Senate Committee recommended, instead, that a tie vote of the Commission would require a report and recommendations to the President. The Committee also voted to recommend a 17-man commission to study foreign economic policy, instead of the 15-man commission voted by the House.

FOREIGN TRADE

1952 Exports as a Percentage of Annual Canned Food Packs

Exports of some canned foods account for a significant volume of domestic production. In a computation by N.C.A., it was found that in 1952:

Vegetables—Exports of canned asparagus amounted to more than 7 percent of the annual pack. Exports of tomato juice were about 3 percent and of canned peas about 1 percent of the pack. For canned corn, green and wax beans, lima beans, and spinach, exports were about one-half of 1 percent.

Fruits—Exports of canned apricots accounted for 3 percent of the pack, exports of canned peaches 2.5 percent, canned pears 2 percent, and canned sweet cherries almost 2 percent of the year's production.

Fish and Shell Fish—Exports of canned sardines took almost 25 percent of last year's pack. Almost 13 percent of the canned shrimp pack was exported. For other canned fishery products, exports accounted for 7 percent of the canned mackerel, 5 percent of canned tuna, and 1 percent each of canned crabs and canned oysters.

These are the only canned foods for which such comparisons may be made, because statistics on pack and exports of other canned foods are not comparable.

United States Is Net Importer of Some Canned Food Products

The United States is a net exporter of most canned fruits and vegetables, but is a net importer of canned fishery products.

The following tables were compiled by N.C.A. to show, where comparable statistics are available, the relative volume of imports and exports of canned foods:

	1952 Imports	1952 Exports
	(thousands of pounds)	
Canned vegetables:		
Tomatoes	61,054	17,811
Cucumber pickles	2,143	5,564
Green peas	87	8,724
Asparagus	31	7,455
Vegetables, other[a]	21,174	86,242
Total canned vegetables	85,174	137,156
Balance of exports over imports		51,982

[a] Includes imports, in thousands of pounds, of tomato paste and sauce—4,467; pickled onions—2,783; other pickled vegetables—4,028; sauerkraut—1,396; pimientos—1,294; mushrooms—955; chickpeas—284; soybeans—74; and beans—50.

	1952 Imports	1952 Exports
	(thousands of pounds)	
Canned fruits:		
Pineapple, including juice	91,396	40,023
Jams and jellies	5,898	1,269
Berries	713	1,127
Apples and apple sauce	544	1,057
Prunes, prunelles, and plums	404	447
Apricots	15	5,952
Fruit cocktail	164[b]	43,571
Fruits, other[a]	5,913	29,364
Total canned fruits	104,711	112,811
Balance of exports over imports		8,000

[a] Includes imports, in thousands of pounds, of mandarin oranges—2,223; dates—1,330; Maraschino and candied cherries—758; fruit pastes and pulps—610; figs—508; papaya, pastes and fruit pulps—475; and orange pulp—9; and peaches, apricot pulp, and pears, only 113, 53, and 22 pounds, respectively. [b] Derived from data on dollar value.

	1952 Imports	1952 Exports
	(thousands of gallons)	
Fruit juices:		
Total fruit juices[a]	8,953	22,535
Balance of exports over imports		13,582

[a] Includes imports, in thousands of gallons, of cherry juice—7,891; lemon juice concentrate—677; citrus fruit juices—165; apple cider—134; lime juice concentrate—84; and grape juice and orange juice, only 248 and 7 gallons, respectively.

	1952 Imports	1952 Exports	Balance of exports over (+) or under (−) imports
	(thousands of pounds)		
Canned fish:			
Salmon	9,544	1,427	− 8,117
Sardines in oil	20,887	3,250	−17,637
Sardines, other	519	36,620	+36,101
Tuna in oil	4,288	411	− 3,879
Herring	9,576	275	− 9,301
Fish, n.e.s., not in oil	3,010	4,630	+ 1,620
Fish, other[a]	41,178	.....	−41,178
Total canned fish	89,004	46,613	−42,391

[a] Includes imports, in thousands of pounds, of smoked tuna, antipasto, and pollock, not in oil—19,032; bonito and yellowtail—13,811; anchovies—6,190; antipasto—296; fish in oil, n.e.s.—684; and fish cakes, balls, and pudding—1,165.

	1952 Imports	1952 Exports	Balance of exports over (+) or under (−) imports
	(thousands of pounds)		
Canned shell fish:			
Crabs and crab meat	2,084	33	− 2,050
Oysters	613	106	− 507
Shell fish paste and sauces, n.s.p.f.	201	3,397	+ 3,196
Shell fish, other[a]	4,733	.....	− 4,733
Total canned shell fish	7,632	3,536	− 4,094

[a] Includes imports, in thousands of pounds, of razor clams—2; clam chowder and juice—67; lobsters—4,603; and lobster paste and sauce—61.

For data on exports, see Information Letter of June 13, page 208.

STATISTICS

1952-53 Apple Products Packs

The 1951-52 packs of canned apples, apple sauce, and apple juice have been compiled by the N.C.A. Division of Statistics for the season beginning in September and ending June 1.

1952-53 Pack of Apples

	1951–52	1952–53
	(cases—basis 6/10)	
New York	996,145	704,126
Md., Pa., and Va.	2,036,286	1,556,440
Wash. and Ore.	251,479	220,634
Other states	104,339	79,119
U. S. Total	3,388,249	2,560,319

1952-53 Pack of Apple Sauce

	1951–52	1952–53
	(actual cases)	
New York	3,414,715	2,858,829
Md., Pa., and Va.	4,203,073	4,161,710
Wash. and Ore.	111,918	115,833
California	913,467	1,405,868
Other states	339,149	371,798
U. S. Total	8,982,322	8,914,038

1952-53 Pack of Apple Juice

	1951–52	1952–53
	(actual cases)	
Md., Pa., and Va.	632,827	467,796
Michigan	412,278	385,463
California	428,360	385,192
Other states	1,700,952	1,960,976
U. S. Total	3,174,417	3,199,427

Canned Fruit and Vegetable Stocks and Shipments

Reports on canners' stocks and shipments of canned green and wax beans, corn, peas, tomatoes, tomato juice, apricots, RSP cherries, sweet cherries, peaches, and pears have been compiled by the N.C.A. Division of Statistics.

Canned Apricot Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(cases—basis 24/2½)		
Carryover, June 1	115,000	621,000	+440
Pack	4,614,000	4,004,000	− 13
Total supply	4,729,000	4,625,000	− 2
Stocks, June 1	621,000	666,000	+ 7
Shipments, April 1 to June 1	334,000	413,000	+ 24
Shipments, June 1 to June 1	4,108,000	3,959,000	− 4

Canned Peach Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(cases—basis 24/2½)		
Carryover, June 1	625,000	3,899,000	+524
Pack	22,803,000	19,334,000	− 15
Total supply	23,428,000	23,233,000	− 1
Stocks, June 1	3,899,000	3,152,000	− 19
Shipments, April 1 to June 1	2,352,000	2,464,000	+ 5
Shipments, June 1 to June 1	19,529,000	20,081,000	+ 3

Canned Pear Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(cases—basis 24/2½)		
Carryover, June 1	605,000	1,657,000	+174
Pack	6,647,000	6,550,000	− 1
Total supply	7,252,000	8,207,000	+ 13
Stocks, June 1	1,657,000	1,523,000	− 8
Shipments, April 1 to June 1	931,000	1,087,000	+ 17
Shipments, June 1 to June 1	5,595,000	6,684,000	+ 19

RSP Cherry Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, July 1	29,950	212,949	+611
Pack	4,672,041	3,892,004	− 17
Total supply	4,701,991	4,104,953	− 13
Stocks, June 1	292,808	190,206	− 35
Shipments during May	124,065	140,088	+ 13
Shipments, July 1 to June 1	4,409,123	3,914,747	− 11

Sweet Cherry Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(cases—basis 24/2½)		
Carryover, June 1	55,000	125,000	+127
Pack	900,000	1,295,000	+ 44
Total supply	955,000	1,420,000	+ 49
Stocks, June 1	125,000	263,000	+110
Shipments, April 1 to June 1	66,000	139,000	+111
Shipments, June 1 to June 1	830,000	1,157,000	+ 39

Green and Wax Bean Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, July 1	1,395,850	2,453,035	+ 76
Pack	19,866,974	17,209,663	− 13
Total supply	21,262,824	19,662,698	− 8
Stocks, June 1	3,394,918	714,267	− 79
Shipments during May	1,135,399	473,093	− 58
Shipments, July 1 to June 1	17,867,906	18,948,431	+ 6

Canned Corn Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, Aug. 1	373,375	427,729	+15
Pack	30,188,540	38,212,332	+27
Total supply	30,561,915	38,640,061	+26
Stocks, June 1	2,154,699	5,888,018	+173
Shipments during May	1,639,491	2,450,740	+49
Shipments, Aug. 1 to June 1	28,407,216	32,752,043	+15

Canned Pea Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, June 1	1,110,783	4,740,059	+327
Pack	37,837,387	29,446,277	−22
Total supply	38,948,170	34,186,336	−12
Stocks, June 1	4,740,059	3,419,633	−28
Shipments during May	1,571,119	1,514,289	−4
Shipments, June 1 to June 1	34,208,111	30,766,703	−10

Summary of Canners' Stocks on June 1 and Season Shipments

Canners' shipments to June 1 for all the canned fruits, vegetables and juices included in the table below were about 1 percent less than shipments to the same date a year ago but 6 percent greater than the average shipments for the five years 1948-52. Canners' June 1 stocks on the other hand totaled 7 percent less than the stocks of these items a year ago but were 7 percent more than the average stocks during the five years 1948-52.

Fruits—**June 1 stocks were about one-third (36 percent) less than last year's stocks but only 0.4 percent less than the average for the five years 1948-52. Shipments by June 1 were more than 7 percent greater than last year and about one-sixth (17 percent) greater than the five-year average.**

Vegetables—**Canners' stocks on June 7 for the major canned vegetables including tomato juice were about 20 percent higher than stocks a year ago and the average stocks for the five years 1948-52. Canners' shipments for these items were about 5 percent less than shipments a year ago but 4 percent above the average for the five postwar years 1948-52.**

Canned Citrus—**Stocks were 7 percent less than stocks a year ago and 2 percent less than the five-year average. Shipments from canners' warehouses for the season to June 1 were 1 percent less than a year ago and about 10 percent less than the five-year average.**

Item	Canners' Stocks, June 1			Season Shipments to June 1		
	1948–52 av.	1952	1953	1948–52 av.	1952	1953
	(thousands of actual cases)					
Fruits, total	10,772	16,177	10,341	57,437	62,374	67,002
Apples (6/10)	1,249	1,863	523	3,372[a]	3,478	3,317
Apple sauce	2,454	3,379	1,222	8,445[a]	9,499	9,544
Apricots	732	698	777	3,929	4,634	4,596
Cherries, sweet	149	182	370	1,124	1,113	1,624
Cherries, RSP	110	293	190	3,730	4,409	3,915
Fruit cocktail	2,193	3,051	1,579	9,966	9,569	12,078
Peaches	2,599	4,071	3,424	19,263	21,150	22,244
Pears	1,012	2,047	1,767	6,058	6,560	7,945
Plums, purple	274[a]	593	489	1,550[a]	1,962	1,739
Vegetables, total	17,411	17,485	21,006	114,594	124,701	118,997
Beans, green and wax	1,796	3,395	714	16,326	17,868	18,948
Corn	4,206	2,155	5,888	27,469	28,407	32,752
Peas	4,157	4,740	3,419	30,757	34,208	30,767
Sauerkraut[b]	2,977[c]	2,320	2,192	8,394[c]	8,184	7,091
Tomatoes[d]	1,068	1,251	3,195	16,484	18,940	12,698
Tomato juice	3,159	3,619	5,652	15,164	17,094	16,741
	(thousands of dozens)					
Baby foods	45,528	44,995	45,747	52,819	57,205	62,700
	(thousands of cases basis 24/2)					
Canned citrus, total	12,268	13,053	12,084	28,935	26,303	25,974
Grapefruit sections	1,430	1,726	1,634	2,528	2,202	2,508
Grapefruit juice	3,278	3,787	4,009	6,126	6,437	6,999
Orange juice	5,252	5,638	4,913	14,049	13,298	12,205
Blended juice	2,308	1,902	1,528	6,232	4,366	4,262

[a] Four-year average, 1949–52. [b] Equivalent cases of 24/2, calculated from barrels. The shipment figures represent disappearance of bulk kraut from canners' stocks. [c] Two-year average, 1951–52. [d] Excluding California.

Canned Tomato Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, July 1	55,355	1,726,877	+3020
Pack	27,672,399	25,176,437	− 9
Total supply	27,727,754	26,903,314	− 3
Summary of Stocks and Shipments—California Excluded			
Stocks, excluding Calif., May 1	1,667,522	3,680,092	+121
Stocks, excluding Calif., June 1	1,250,670	3,195,285	+155
Shipments, excluding Calif. during May	416,852	484,807	+ 16

Tomato Juice Stocks and Shipments

	1951–52	1952–53	Percent change from 1951–52
	(actual cases)		
Carryover, July 1	917,071	5,304,954	+478
Pack	31,625,534	31,416,590	− 1
Total supply	32,542,605	36,721,544	+ 13
Summary of Stocks and Shipments—California Excluded			
Stocks, excluding Calif., May 1	4,693,119	7,199,024	+ 53
Stocks, excluding Calif., June 1	3,619,236	5,651,981	+ 56
Shipments, excluding Calif. during May	1,073,883	1,547,043	+ 44

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1952	1953	Percent change from 1952
	(thousands of dozens)		
Canner stocks, Jan. 1	57,522	55,300	− 4
Pack, Jan. through May	44,678	53,147	+ 19
Supply	102,200	108,447	+ 6
Canner stocks, June 1	44,995	45,747	+ 2
Canner shipments during May	10,844	13,209	+ 22
Canner shipments, Jan. 1 to June 1	57,205	62,700	+ 10

Stocks of Bulk Sauerkraut

The following report on bulk sauerkraut in canners' hands, which was compiled by the N.C.A. Division of Statistics, represents kraut cut from the 1952 crop of cabbage and consists of the bulk kraut on hand in vats and in cases of canned kraut converted to barrels, 10 cases to the barrel regardless of size.

Region	March 1, 1953	June 1, 1953	June 1, 1952
	(45-gallon barrels)		
Northeast	136,249	94,610	65,733
Midwest	77,764	47,396	78,522
South	5,647	7,702	9,408
West	11,408	6,872	12,080
U. S. Total	231,068	156,580	165,743

Northeast includes Conn., Md., Mass., N. Y., Pa., and Va. Midwest includes Ill., Ind., Iowa, Mich., Minn., Ohio, and Wis. South includes Mo., Tenn., and Texas. West includes Colo., Ore., Utah, and Wash.

Green Peas for Processing

The 1953 indicated production of green peas for processing is 487,850 tons, according to the Bureau of Agricultural Economics. This estimate, which is based on conditions as of June 15, compares with 430,170 tons produced in 1952 and an average of 432,200 tons produced during the 1942-51 period.

The preliminary estimate of acreage for harvest is 448,950 acres, compared with 425,090 acres harvested in 1952 and an average of 431,480 acres for the 10-year period.

The indicated 1953 yield per acre, based on June 15 conditions, is 2,173 pounds per acre. This compares with 2,024 pounds obtained in 1952 and an average of 1,996 pounds for the 1942-51 period.

	1952 Indicated	1952 Revised	1953 Indicated	Percent change from 1952
	(tons, shelled)			
Maine	7,390	4,050	7,220	+78
New York	27,080	17,210	22,100	+281
Pennsylvania	14,720	11,800	16,720	+42
Ohio	2,000	1,910	1,600	−16
Indiana	1,950	2,190	1,600	−27
Illinois	32,200	25,110	29,500	+17
Michigan	4,620	3,510	5,120	+46
Wisconsin	150,750	125,240	120,650	−4
Minnesota	55,500	47,710	55,800	+17
Iowa	5,200	3,670	3,330	−9
Delaware	2,730	3,020	4,230	+40
Maryland	8,780	7,980	8,000	.....
Virginia	1,780	1,630	2,160	+33
Idaho	10,800	11,750	10,800	−8
Colorado	3,240	3,150	3,150	.....
Utah	10,380	7,120	12,600	+77
Washington	66,120	71,280	89,600	+26
Oregon	53,620	59,220	71,400	+21
California	13,030	14,640	13,950	−5
Other states[1]	9,050	7,980	8,320	+4
U. S. Total	480,940	430,170	487,850	+13

[1] Ark., Ga., Kans., Mo., Mont., Nebr., N. J., Okla., Tenn., and W. Va.

Snap Beans for Processing

A total of 129,480 acres of snap beans will be planted for processing in 1953, according to the Bureau of Agricultural Economics. This preliminary estimate of 1953 plantings is 6.4 percent larger than the 121,680 acres planted last year but is 4.8 percent below the average of 136,000 acres for the 1942-51 period.

If average abandonment of 5 percent is assumed for 1953, about 123,000 acres will be harvested this year. This compares with 115,420 acres harvested in 1952 and the 10-year average of 129,630 acres.

State	Green		Wax	
	1952 Revised (acres)	1953 Indicated (acres)	1952 Revised (acres)	1953 Indicated (acres)
Maine	810	1,060	1,640	1,740
New York	21,240	20,740	8,260	9,760
Pennsylvania	3,890	4,180	1,510	1,320
Michigan	4,810	4,970	1,690	1,930
Wisconsin	9,240	9,250	3,960	4,550
Missouri	400	300	.....	.....
Delaware	2,800	2,810	.....	90
Maryland	9,310	10,170	390	1,130
Virginia	3,040	3,560	60	40
North Carolina	2,700	2,600	.....	.....
South Carolina	500	500	.....	.....
Georgia	200	200	.....	.....
Florida	8,200	8,500	.....	.....
Tennessee	4,900	4,500	.....	.....
Mississippi	1,200	1,200	.....	.....
Arkansas	5,000	4,000	.....	.....
Louisiana	650	1,400	.....	.....
Oklahoma	2,700	2,700	.....	.....
Texas	5,500	6,500	.....	.....
Colorado	1,120	1,180	280	320
Utah	470	510	40	30
Washington	1,920	2,060	80	40
Oregon	6,200	7,320	400	380
California	1,500	2,200	.....	.....
Other states[1]	4,760	5,320	310	420
U. S. Total	103,060	107,730	18,620	21,750

[1] Ala., Idaho, Ill., Iowa, Ky., Mass., Mont., Nebr., N. J., N. M., Ohio, Vt., and Wyo.

Production and Utilization of Sour Cherries

Production of sour cherries in the major 11 producing states this year is expected to total 138,730 tons, up 20,600 tons or 17 percent above last year's production, on the basis of June 15 conditions as reported by the Bureau of Agricultural Economics.

Most of the increase—19,700 tons—is expected to occur in the Great Lakes states. Despite a 7 percent decline in the production estimate from June 1, the expected 1953 production in the five Great Lakes states—New York, Pennsylvania, Ohio, Michigan, and Wisconsin—is set at 129,420 tons, 18 percent above the 1952 production for that area.

A slightly larger percentage of the crop was canned in 1952 than in 1951, while the proportion of frozen cherries declined slightly. In the following table on production and utilization of sour cherries, the last two columns show the percentage of total sales that went to canners in the years 1951 and 1952.

State	Production			Utilization			
	1952	1953 Indicated	Change from '52	1952 Total sold [a]	1952 Canned	Canned as percent of sales	
	(tons)	(tons)	(percent)	(tons)	(tons)	1951	1952
New York	19,100	21,800	+14	18,500	4,690	23	25
Pa. and Ohio	12,100	8,920	−26	10,690	6,900	62	65
Michigan	67,500	80,000	+19	59,600	44,850	75	75
Wisconsin	11,000	18,700	+70	10,550	5,850	45	55
Other states [b]	8,420	9,310 [c]	+11	6,710	4,275	50	64
U. S. Total	118,120	138,730	+17	106,050	66,565	58	63

[a] Includes quantities sold for fresh market, freezing, canning, and other uses. [b] Includes Wash., Ore., Mont., Idaho, Colo., and Utah. [c] Estimate as of June 1—not June 15.

Sweet Corn for Processing

The 1953 acreage of sweet corn planted or to be planted for canning or freezing is reported at 528,190 acres by the Bureau of Agricultural Economics. This preliminary estimate of sweet corn for processing is 3 percent above the 512,300 acres planted in 1952 and 5 percent above the average of 503,510 acres for the 1942-51 period.

If average abandonment of 7 percent is assumed on the 1953 planted acreage, there will be about 491,000 acres for harvest this year. This compares with the revised estimate of 487,500 acres harvested in 1952 and the 10-year average of 467,290 acres.

Plantings of Bantam and other yellow varieties in 1953 are expected to total 455,890 acres; Country Gentleman, 56,670 acres; Evergreen and Narrow Grain, 13,530 acres; and other white varieties, 2,100 acres.

State	1952 Indicated	1952 Planted (revised)	1953 Preliminary	Percent change from 1952
	(acres)	(acres)	(acres)	
Maine	8,600	10,100	9,500	−6
New Hampshire	460	540	550	+2
Vermont	900	800	940	+18
New York	25,700	27,400	28,800	+5
Pennsylvania	11,000	11,000	12,100	+10
Ohio	16,000	15,200	14,000	−8
Indiana	29,400	37,400	34,000	−9
Illinois	66,000	67,900	70,000	+3
Wisconsin	102,500	114,000	119,700	+5
Minnesota	83,000	92,700	97,300	+5
Iowa	25,000	29,000	28,100	−3
Delaware	4,000	5,400	5,100	−6
Maryland	35,200	35,000	39,000	+11
Virginia	700	1,100	1,300	+18
Idaho	12,300	10,500	11,000	+5
Utah	6,400	6,600	6,800	+3
Washington	12,500	16,400	20,000	+22
Oregon	13,600	15,700	17,300	+10
Other states [1]	48,850	15,560	12,700	−18
U. S. Total	468,810	512,300	528,190	+3.1

[1] Ark., Colo., Mich., Mont., Nebr., N. J., Okla., S. C., Tenn., Texas, and Wyo.

Cucumbers for Pickles

The acreage planted to cucumbers for pickles this year is 158,630 acres, according to preliminary estimates of the Bureau of Agricultural Economics. This compares with 160,170 acres planted for pickles last year and an average of 130,050 acres for the 1942-51 period.

If average abandonment of 11 percent is assumed for this year about 141,200 acres will be harvested in 1953. This would compare with 149,490 acres harvested in 1952 and the 10-year average of 116,610 acres.

Pack of Canned Meat

The quantity of meat canned and meat products processed under federal inspection during the month of May has been reported by the Bureau of Animal Industry, USDA. However, this report represents only the supply of meat products canned during that period and remaining for civilian consumption. Total production, including quantities for defense, was 186,825 thousand pounds.

Canned Meat and Meat Products Processed under Federal Inspection May, 1953

	3 Lbs. & over	Under 3 Lbs.	Total
	(in thousands of pounds)		
Luncheon meat	15,007	11,929	26,935
Canned hams	14,211	756	14,967
Corned beef hash	175	4,870	5,045
Chili con carne	364	6,055	6,419
Vienna sausage	191	4,411	4,602
Frankfurters and weiners in brine	6	1,816	1,822
Deviled ham	42	284	326
Other potted and deviled meat products	309	3,262	3,571
Tamales	68	1,790	1,857
Sliced, dried beef	17	347	364
Liver products	.....	226	226
Meat stew	120	5,398	5,519
Spaghetti meat products	138	5,093	5,231
Tongue (not pickled)	51	178	229
Vinegar pickled products	1,025	1,617	2,642
Bulk sausage	28	587	614
Hamburger	60	3,197	3,257
Soups	1,417	69,565	70,982
Sausage in oil	304	550	855
Tripe	1	634	635
Brains	.....	286	286
Bacon	17	34	51
All other products 20% or more meat	364	5,274	5,639
All other products less than 20% meat (except soup)	2,111	20,289	22,400
Total all products	36,026	148,448	184,474

Columns do not add to totals shown in all cases since rounded figures are used. Amounts packed for defense agencies are not included in these items. Total production, including quantities for defense agencies, was 186,825 thousand pounds.

Invitations for Bids

QM Market Center System, 1819 West Pershing Road, Chicago 9, Ill.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act may apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The Veterans Administration has invited sealed bids to furnish the following:

GREEN BEANS—21,000 dozen No. 10 cans, Grade B, or equivalent in No. 2½ or No. 2 cans. Bids due under S-5 by July 15.

APRICOTS—5,850 dozen No. 2 cans of diabetic-pack apricots, Grade B; 6,500 dozen No. 10 cans of apricots in heavy syrup, Grade B; and 625 dozen No. 10 cans of solid pack apricots; or equivalent in other size cans. Bids due under S-10 by July 16.

PERSONNEL

Dr. Bishopp To Leave USDA

Dr. F. C. Bishopp, since 1904 associated with the Bureau of Entomology and Plant Quarantine, USDA, will leave his present position as Assistant Chief of the Bureau on June 30. He has accepted a position with the Oscar Johnston Cotton Foundation as coordinator of research concerned with the control of the pink bollworm. Dr. Bishopp is a world authority on medical and veterinary entomology. He has participated in discussions on quality protection at Canners Conventions.

Dr. Edward F. Knipling will succeed Dr. Bishopp as Assistant Chief of BEPQ.

C.M.&S.A. Headquarters

Headquarters of the Canning Machinery and Supplies Association has been established in Washington, D. C.

The move from Battle Creek, Mich., where the office was located for 16 years, was completed this week by W. D. Lewis, secretary-treasurer of C.M.&S.A.

The C.M.&S.A. is addressed at Box 5926, Washington 14, D. C.

Wholesale Grocers Plan Formation of New Association

Representatives of the National-American Wholesale Grocers Association and the United States Wholesale Grocers Association have concluded arrangements, subject to ratification by the membership of both groups, to form a new unified association composed of the membership of both organizations.

French Fox, of Charleroi, Pa., National-American president, and Julian Ragland, a director and member of the executive committee of U.S.W.G.A., jointly announced the action. The controlling bodies of both associations, they said, have unanimously approved the move. Title of the new association of wholesale food and grocery distributors will be announced in the near future.

The governing bodies of the two associations assigned the duty of working out details of the move to the presidents of the two groups, assisted by four past presidents of each organization. Their proposals will be submitted to the members of both organizations for ratification at the earliest possible date.

RENEGOTIATION

'Stock Item' Exemption

Notice is given in the *Federal Register* of June 20 that The Renegotiation Board proposes to supplement its regulations on permissive exemptions under the Renegotiation Act of 1951 with the issuance of new rules providing for a "stock item" exemption. Following is the text of the announcement:

THE RENEGOTIATION BOARD
[32 CFR Part 1455]

RENEGOTIATION BOARD REGULATIONS UNDER THE 1951 ACT

NOTICE OF PROPOSED RULE MAKING

The Renegotiation Board pursuant to section 109 of the Renegotiation Act of 1951, Public Law No. 9, 82nd Congress, proposes to issue the following regulations. The Board intends to make such changes in these proposed regulations as it considers appropriate in the light both of recommendations made by interested persons for changes and improvements therein and of its own further study.

Interested persons are hereby notified that, in order for recommendations for changes and improvements in the proposed regulations to be considered, they must be presented, in writing, to the Renegotiation Board, Washington 25, D. C., within 20 days from the date of this publication in the *Federal Register*.

Dated: June 17, 1953.

NATHAN BASS,
Secretary.

Subchapter B—Renegotiation Board Regulations Under the 1951 Act

Part 1455—PERMISSIVE EXEMPTIONS FROM RENEGOTIATION

"STOCK ITEM" EXEMPTION

It is proposed to amend § 1455.6 *Subcontracts as to which it is not administratively feasible to segregate profits* by adding new paragraphs (d) and (e) to read as follows:

(d) *"Stock item" exemption; amounts received or accrued after July 31, 1953.* The Board has found that it is not administratively feasible to determine and segregate the profits attributable to activities subject to renegotiation from those not so subject in the case of the following and has, therefore, exempted from the provisions of the act, to the extent of amounts received or accrued after July 31, 1953, all subcontracts subject to the act which are for materials (including maintenance, repair and operating supplies) customarily purchased for stock in the normal course of the purchaser's business, but such exemption shall not apply in any of the following cases: (1) When any such subcontract is for an amount in excess of $5,000, or (2) when the subcontract is for equipment, assemblies or subassemblies, components of equipment, assemblies or subassemblies, or parts, for which the price under the subcontract is in excess of $50 per unit, or (3) when such materials are specially purchased for use in performing one or more prime contracts or higher tier subcontracts subject to the act. Any contractor having a fiscal year beginning after December 31, 1952 but before August 1, 1953 may, at its option, apply the stock item exemption prescribed in this paragraph and paragraph (e) of this section to its receipts or accruals from the beginning of such fiscal year rather than apply the provisions of paragraphs (b) and (c) of this section to its receipts or accruals before August 1, 1953.

(e) *Application of exemption of amounts received or accrued after July 31, 1953.* (1) When the purchaser customarily carries an article in stock and purchases a supply of it to be placed in stock, the purchase is not subject to renegotiation merely because the purchaser knows that some portion of the stock will inevitably be used in the performance of renegotiable contracts or subcontracts then on hand. When materials have been specially purchased for use in performing one or more renegotiable contracts or subcontracts, the subcontract for such a purchase is subject to renegotiation, notwithstanding that the article may be placed in stock by the purchaser, and irrespective of the amount so placed. When items are specially purchased for use in performing one or more renegotiable contracts or subcontracts, it is immaterial that the purchaser does not know at the time of purchase the specific contract or subcontract in the performance of which such articles or any portion of them will be used, or even that the contract or subcontract has not yet been let; the purchase is subject to renegotiation in its entirety. Articles purchased on the basis of requirements to fulfill a particular production schedule are not purchased for stock for the purposes of this section, and the exemption does not apply. This is true even though the purchaser intends to use the articles in common to fulfill defense and civilian orders. The extent of use in renegotiable production will determine the extent to which the sales of such articles are renegotiable.

(2) Subcontracts for amounts in excess of $5,000 shall not be broken down into several subcontracts for less than $5,000 each, and unit prices in excess of $50 for equipment, assemblies or subassemblies, components of equipment, assemblies or subassemblies, or parts, shall not be broken down into several unit prices of less than $50 each, nor shall customary purchasing or contracting procedures be altered, merely for the purpose of avoiding renegotiation under this exemption.

(3) With respect to amounts received or accrued after July 31, 1953, any one or more of the following circumstances indicate that the article was "specially purchased" and not exempt and that the subcontract is therefore subject to renegotiation to the extent that the article is used in renegotiable business:

(i) That the specifications of the article were adapted to the purchaser's renegotiable business only.

(ii) That the article was segregated or earmarked, either in whole or in part, for the performance of renegotiable contracts or subcontracts.

(iii) That the purchaser represented to the supplier that the article was required for the performance of renegotiable contracts or subcontracts.

(iv) That the purchaser properly cited in or in connection with the subcontract a renegotiable prime contract number.

(v) That the purchaser properly extended to the supplier a preference rating or allotment symbol applicable only to renegotiable contracts or subcontracts, whether or not such rating or symbol was so extended for the purpose of replenishing stock.

(vi) That more than half of the purchaser's business in the plant or other facility to which the article was delivered was subject to renegotiation.

PUBLICITY

Better Living Magazine

Three short articles in the July *Better Living* magazine feature canned foods. The magazine is sold in more than 9,000 super markets throughout the country, and reaches over 2 million circulation.

Cream of celery soup and chicken consomme are used in the two recipes in the article entitled "Cool Soups Start With Canned Soup." Another article, "Five Quick Sauces," says, "Canned soups are the basis of these quick, tasty sauces. They will add new interest to simple meals. Ideal to use with left-over meats and vegetables too." Cream of mushroom, bouillon, cream of chicken, vegetable, and onion soups are featured in the sauces. Other canned foods used are pimientos, catsup, lemon juice, and meats.

How to serve canned tomato aspic in different salads is given in the article entitled "Three Ways to Use Tomato Aspic." All three of the articles are illustrated with black-and-white photographs.

Good Housekeeping Magazine

Dorothy Marsh, food editor, and her staff feature a 22-page section entitled "Book of Cool Drinks" in the June issue of *Good Housekeeping* magazine. Canned fruit juices and fruits are used generously throughout the recipes and suggestions.

The section is made up of a series of short articles. One, entitled "When You Buy Juice", gives consumer buying information for canned juices, and another lists 18 canned juices for "Quick Fruit Refreshers." There are a total of 120 uses of canned foods in the section.

The articles are attractively illustrated with 10 full-page color photographs.

Parade Magazine

Canned tomato sauce was featured by Beth Merriman, food editor, in her article "3 Cool Tricks" in the June 14 issue of *Parade* magazine.

The author began, "Combine a package of lemon-flavored gelatin and a can of tomato sauce. Add hot water and vinegar. And there you have the easy-as-anything basis for a cool, flavorful aspic that can be varied in many ways." The aspic was used in three recipes, jellied soup, relish, and salad loaf. The dishes were pictured in black and white beside the recipes.

Parade goes out with 35 Sunday metropolitan newspapers with a combined circulation of over 5 million.

STANDARDS

Grades for Canned Lima Beans

The Production and Marketing Administration, USDA, has revised U. S. standards for grades of canned lima beans. Changes have been made in the standards previously proposed to clarify the definition of broken beans and to provide tolerances which reflect commercial packing procedure. Text of the revised standards was published in the *Federal Register* of June 20.

Grades for Cream Style Corn

The Production and Marketing Administration has revised U. S. standards for grades of canned cream style corn. Text of the revised standards was published in the *Federal Register* of June 25.

DEATH

Arthur E. Nash

Arthur E. Nash, 47, of the Comstock Canning Corp., Newark, N. Y., died suddenly June 20 following a heart attack.

Mr. Nash served as secretary of the New York State Canners Association from 1944 to 1946. Since that time he had been in the sales department at Comstock, most recently as sales manager of the vegetable division.

Mr. Nash was a graduate of Colgate University, had studied at Columbia University, and received a masters degree from the University of Rochester. Prior to his affiliation with the canning industry he was a school teacher and principal.

SUPPLIES

Tin Plate Expansion Goal

To conserve tin through the increased use of electrolytic tin plate, the Office of Defense Mobilization on June 15 revised the expansion goal for electrolytic tin plate facilities to 4,500,000 net tons of annual capacity by January 1, 1955.

The initial goal announced on July 22, 1952, called for 4,100,000 net tons of capacity yearly. The revision provides for an increase of 1,700,000 net tons over the annual capacity of 2,800,000 net tons in existence on January 1, 1950.

Applications for certificates of necessity covering approximately 80 percent of the new expansion goal have been received by ODM.

Forthcoming Meetings

July 9-10—National Kraut Packers Association, Annual Meeting, Catawba Cliffs Beach Club, Port Clinton, Ohio

July 15-24—Indiana Canners Association, Annual Mold Count School, Purdue University, Lafayette

July 16-17—National Pickle Packers Association, Midyear Meeting, The Drake Hotel, Chicago

July 17—Northwest Canners Association, Summer Membership Meeting, Marcus Whitman Hotel and Walla Walla Country Club, Walla Walla, Wash.

July 29-August 7—New York State Canners and Freezers Association, Inc., 16th Annual Mold Count School, New York State Experiment Station, Geneva

October 15-17—Florida Canners Association, Annual Meeting, Casa Blanca Hotel, Miami Beach

October 26-27—National Pickle Packers Association, Annual Meeting, The Drake Hotel, Chicago

November 2—Illinois Canners Association, Fall Meeting, Chicago

November 9-10—Wisconsin Canners Association, 49th Annual Convention, Schroeder Hotel, Milwaukee

November 9-10—Michigan Canners Association, Fall Meeting, Pantlind Hotel, Grand Rapids

November 12-13—Iowa-Nebraska Canners Association, Annual Convention, Hotel Fort Des Moines, Des Moines

November 19-20—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs

November 23-24—Pennsylvania Canners Association, 39th Annual Convention, Penn Harris Hotel, Harrisburg

December 3—Minnesota Canners Association, Annual Convention, St. Paul Hotel, St. Paul

December 3-4—Tri-State Packers Association, Inc., 50th Annual Meeting, Haddon Hall, Atlantic City, N. J.

December 10-11—New York State Canners and Freezers Association, Inc., 68th Annual Convention

December 10-11—Ohio Canners Association, 46th Annual Convention, The Neil House, Columbus

January 4-6—Northwest Canners Association, Annual Convention, Multnomah Hotel, Portland, Ore.

January 18-21—Canadian Food Processors Association, Annual Convention, Alpine Inn, Ste. Marguerite, P.Q.

January 19-22—National-American Wholesale Grocers Association, Annual Convention, Ambassador Hotel, Atlantic City, N. J.

January 23-27—National Canners Association, 47th Annual Convention, together with National Food Brokers Association and Canning Machinery and Supplies Association, Atlantic City, N. J.

FTC Opposes Kefauver Bill

(Concluded from page 221)

of major significance. The text of the letter follows:

Hon. William Langer, Chairman
Committee on the Judiciary
United States Senate
Washington, D. C.

My dear Mr. Chairman:

The Federal Trade Commission is in receipt of your letter dated April 8, 1953, asking its views on S. 1357, introduced by Senator Kefauver, and on S. 1377, introduced by Senator Capehart.

The Kefauver bill would have the effect of overturning the Supreme Court decision in the *Standard Oil Case*, (340 U. S. 231). A majority of the Commission believes that it should *not* be enacted into law.

The Capehart bill would restate the language of the Robinson-Patman Act to provide for what a majority of the Supreme Court has held is the existing law, and it would apply the same standard for competitive pricing to the Federal Trade Commission Act. This bill would permit sellers to meet the lower prices their competitors are offering to their customers, when they do so in good faith, a competitive situation a majority of the Commission believes is not only indispensable to a competitive economy, to the protection of the consumer but is an essential armament for

small businessmen in their efforts to hold as well as develop their share of the market. The retailer and wholesaler, more than any other types of sellers, must be equally responsive to competitive pricing.

It has been suggested that the theory of the Capehart bill and the Supreme Court decision may serve to weaken the Robinson-Patman Act and be inimical to small business. As demonstrated below, we believe the contrary to be the fact.

Furthermore, clarification to the meeting competition proviso puts into proper perspective an alleged inconsistency between legislative policies which enforce price competition (Sherman Act and Federal Trade Commission Act) and those which regulate price discrimination (Robinson-Patman Act). As Congress thought of it, the promotion of price competition and the prohibition of unfair pricing practices constituted a complementary dual program of fostering competition in the public interest. However, two conflicting viewpoints seem to have evolved—one condemning price fixing and the other encouraging price stabilization.

It is the view of the present majority of the Commission that this conflict is unnecessary, that the glaring of the privilege to compete with the obligation to compete fairly, is not inconsistent except as made so by strained statutory interpretation.

We believe that the right to meet a lower price which a competitor is offering to a customer, when this is done in good faith, is the essence of good competition and must be permitted in a free competitive economy.

A principal example of such competitive conduct is lawful competitive freight absorption. To deny businessmen the right to competitive freight absorption requires that every seller purchase from the closest supplier (or suffer the penalty of paying higher prices) and it limits each seller to those customers located closer to his plant than to the plant of any other seller. If freight absorption is not lawful, sellers located in deficit production areas are given an artificial economic reward, while buyers in the same areas suffer a corresponding penalty. Without freight absorption, sellers in surplus production areas are greatly handicapped, while buyers in such areas are given an artificial benefit. Permitting competitive freight absorption—so that a seller may meet the lower price of a more favorably located competitor—gives the buyers a greater number of suppliers competing for their business. At the same time it increases the number of potential customers for whose business each seller is free to compete. If businessmen, big or small, cannot meet competition, the whole nature of our competitive economy would be recast or destroyed; business in some areas would bloom and prosper, while in others it would wither and die.

Our free enterprise system requires competition in all areas. In fact, our whole theory of trade regulation is based upon the existence of competition in every market. If such regulation is to remain effective, a seller must be permitted, when acting fairly and in good faith, to meet the equal low price of a competitor.

We think the Supreme Court reaffirmed this fundamental principle in the case of *Standard Oil* v. *Federal Trade Commission* (340 U. S. 231), but if a legislative restatement seems necessary or desirable we believe the Capehart bill will accomplish this.

The view recently, but no longer, urged by a majority of the Commission, and which is the basis for the Kefauver bill, is that meeting the equally low price of a competitor should not be a defense whenever it injures competition. As a practical matter, this completely nullifies the defense, and it would then never be available to any seller, for the Supreme Court has already held that every substantial difference in price may injure competition.

The view formerly expressed for the Commission on S. 540 on March 16, 1953, is withdrawn to the extent that it is inconsistent with that here expressed. My letter of April 15, 1953, to the Director of the Bureau of the Budget which expressed my separate view on S. 540 is attached.

A more detailed statement of both bills and the Commission's views on each is attached.

Commissioners Mead and Spingarn dissent from the views expressed in this report. A statement of their dissenting views is attached.

In view of your request that the Commission's views on these bills be made available as promptly as possible in order to facilitate the work of the Committee, this report has not been cleared with the Bureau of the Budget.

By direction of the Commission.

Sincerely yours,

[s] Edward F. Howrey,
Chairman.

TABLE OF CONTENTS

PAGE

Congress

FDA factory inspection ... 221
FTC opposes Kefauver bill to amend Robinson-Patman Act ... 221
Trade agreements act ... 221

Death

Arthur E. Nash ... 227

Defense

Defense Materials System ... 221

Foreign Trade

1952 exports as a percentage of annual canned food packs ... 222
United States is net importer of some canned food products ... 222

Meetings

Forthcoming meetings ... 227

Personnel

N.C.A. laboratory workers at scientific meetings ... 221
Col. Durbin leaves OQMG ... 221
Dr. Bishopp to leave USDA ... 225
C. M. & S. A. headquarters ... 225
Wholesale grocers plan formation of new association ... 225

Procurement

Invitations for bids ... 225

PAGE

Publicity

Better Living magazine ... 226
Good Housekeeping magazine ... 227
Parade magazine ... 227

Renegotiation

"Stock item" exemption ... 226

Standards

Grades for canned lima beans ... 227
Grades for cream style corn ... 227

Statistics

Vegetables for processing—summary of planted acreage ... 221
1952-53 apple products packs ... 222
Canned fruit and vegetable stocks and shipments ... 222
Summary of canners' stocks on June 1 and season shipments ... 223
Canned baby food stocks ... 224
Stocks of bulk sauerkraut ... 224
Production and utilization of sour cherries ... 224
Green peas for processing ... 224
Snap beans for processing ... 224
Sweet corn for processing ... 225
Cucumbers for pickles ... 225
Pack of canned meat ... 225

Supplies

Tin plate expansion goal ... 227